Expansion of Motorola Group

3120. SHRI CHHITUBHAI GAMIT : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Motorola. Computer Group, the computer arm of the telecommunications giant, Motorola Inc. has announced its plans to expand its operations into India; and

(b) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. M/s. Motorola Singapore Pte. Ltd. presently holds approval to establish manufacturing capacity for pagers in existing Indian subsidiary, M/s. Motorola Information Systems India Ltd., Bangalore.

The company proposes to enhance their activities in R&D and manufacturing technology to supply equipment to cellular, paging, value added networks and other telecom network, upgradation of their capabilities to add competence and resources for R&D in India and for this to establish one more highly sophisticated software design and development Centre; and to establish training facilities to produce trained telecom engineers in India.

Loan to Small Scale Industries

3121. SHRI KESHAB MAHANTA :

Will the Minister of FINANCE be pleased to state :

(a) the number of applications for loan received from small scale industries by the Public Sector Banks in Assam and the amount sanctioned in this regard during each of the last three years, till-date;

(b) Whether the banks are not providing timely loans to the applicants as a result of which these industries turned sick; and

(c) If so, the remedial steps the Government propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) The data reporting system of the Reserve Bank of India (RBI) does not generate information in the manner asked for. However, based on the returns submitted to RBI by the scheduled commercial banks, the number of sick small scale industrial (SSI) units and the outstanding credit in respect of these units in the State of Assam as at the end of March 1993, March 1994 and March 1995 was as under :

(Rs. crores)

	Number of Sick SSI units	Outstanding Amount
As on 31st March, 1993	5640	36.43
As on 31st March, 1994	14210	40.52
As on 31st March, 1995	17984	44.60

(b) and (c) RBI has issued instructions to all scheduled commercial banks that applications upto a credit limit of Rs 25,000/- should be disposed of within a fortnight and those for over Rs 25,000/- within 8-9 weeks from the date of receipt of application. Banks have also been advised that requests for increase in credit limits should be considered expeditiously and decision taken promptly and in any case within six weeks.

Industrial Sickness

3122. SHRI SOUMYA RANJAN :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Industrial Sickness is an offshoot of the structural changes in the economy and is mainly caused by manmade factors;

(b) if so, whether any study has been made in this regard;

(c) if so, the outcome thereof; and

(d) if not, the reasons therefor ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) According to the studies conducted by Indian Statistical Institute, industrial sickness arises out of bad financial structure and/or chronically inefficient use of factors of production and/or poor market positioning. According to them the major difference between sick firms registered with the BIFR and healthy companies lay in interest cost and wage cost. BIFR companies always had higher debt equity and total liability equity ratios compared to the non BIFR firms. The study has suggested the need for creating an information base that deals with the credit worthiness of large borrowers in both their corporate and individual capacities, shifting responsibilities of industrial and corporate organization from secured creditors to the defaulting debtors firms and BIFR becoming a fast track facilitator and occasional arbitrator for disposal of the cases referrd to it. The study has also suggested financial restructuring of companies such as converting debt into equity and corporate reorganisation via land sales.

Registration of Powerlooms

3123 : SHRI CHINTAMAN WANAGA : will the Minister of TEXTILES be pleased to state :

(a) whether the Government have made compulsory registration of powerlooms;

(b) if so, the number of powerlooms registered during the last three years, State-wise;

(c) whether the number of powerlooms increasing rapidly every year;

(d) if so, the percentage thereof; and

(e) the number of persons employed per year ?